

# **CORRUPTION AND DEVELOPMENT: A REVIEW OF THE ISSUES**

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#### **ABSTRACT:**

The paper stresses the need to keep the issue of corruption squarely in view in the development agenda. It discusses the causes and consequences of corruption, especially in the context of a least developed country with considerable regulation and central direction. Lack of transparency, accountability and consistency, as well as institutional weaknesses such as in the legislative and judicial systems, provide fertile ground for growth of rent seeking activities in such a country. In addition to the rise of an underground economy and the high social costs associated with corruption, its adverse consequences on income distribution, consumption patterns, investment, the government budget and on economic reforms are highlighted in the paper. The paper also touches upon the supply side of bribery and its international dimensions and presents some thoughts on how to address the corruption issue and to try and bring it under control.

**KEYWORDS:** Corruption, democracy, transparency, maladministration, commission.

#### **INTRODUCTION**

It seems hard to put into words what corruption is. The term "corruption" refers to the misuse of power brought on by the thought of personal benefit, which need not follow the straight road of moral behavior. In fact, the word "corruption" supports a whole family through money. In a narrow sense, it means taking illegal bribes in exchange for official actions or acting illegally when doing official work.

It can also mean straying from practices that are illegal, dishonest, or unfair. In this way, it refers to a wide range of wrongdoings that come from using public office or power for private gain. It would include all ways that public workers cheat to get money, goods, or a better job. So, corruption is the direct or indirect use of one's own position, rank, or resources for personal gain, power, prestige, or influence that goes against what is in the best interest of other people or the community as a whole.

Let's look at how our country has tried to figure out what graft is. The Prevention of Corruption Act of 1947 and the Indian Penal Code, two important pieces of legislation, actually give us some insight into the nature and legal definition of corruption.

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CORRUPTION AND DEVELOPMENT: A REVIEW OF THE ISSUES It is shocking and surprising that law makers and legal experts in India have not defined graft. The "Bible" of anti-corruption rules, the Prevention of Corruption Act of 1947, doesn't say what corruption is. Even though it's hard to agree on an exact definition, everyone agrees that corruption is when public office power is used for personal gain in a way that goes against the rules. Some illegal activities, like theft, money laundering, drug sales, and running a black market, don't count as corruption by themselves because they don't involve using public power<sup>i</sup>.

But people who do these things often need to involve public officials and politicians if they want their operations to keep going. As a result, these things rarely grow without a lot of corruption<sup>ii</sup>Also, even in their most basic forms, these acts can affect how the government makes decisions<sup>iii</sup>. In this article, we will talk about how public officials, bureaucrats, lawmakers, and politicians use the powers that the public has given them to further their own economic interests at the cost of the common good. If these things were found out, they would be illegal at worst and cause great public disapproval at best<sup>iv</sup>.

# **MISMANAGEMENT IS WORSE THAN CRIME**

In any kind of government, people have always been interested in how to make the method for dealing with complaints better. The rise of party discipline and the popularity of partisan views of the government held by ministers tend to make it harder for individual complaints against the government to be taken seriously.

This system, no matter how ineffective, fails totally when corruption and lack of movement start at the top<sup>v</sup>. Mismanagement is even worse than crime. While the effects of corruption don't show up right away, the effects of bad government are felt right away. When administrative bodies are given a lot of power, it's smart to make sure there are good ways to keep an eye on how and why those powers are used.

In current times, lawmakers, judges, and administrators have a lot of power. Each group can do what it wants, if it wants to. In a society where the rule of law is the norm, the people in charge must be able to explain to the public why what they did was legal and even smart and fair.

Administrative law makes sure that government tasks are carried out in accordance with the law, good legal principles, and rules of reason and fairness. In this work, an effort was made to find a few of the most important problems and issues that the Indian administrative system faces.

But as the scope of administration in India has grown, people have started to think that giving the administration so much power has given administrative functionaries more chances to abuse or misuse their power, which can lead to bad administration and corruption.<sup>vi</sup>The public's trust in government has hit its lowest point because administrative bodies and public officials take too long to solve individual problems.

## WHAT DOES MALADMINISTRATION MEAN, AND WHAT DOES IT MEAN?

Maladministration is when a government body does something that could be seen as unfair. We don't always get things right the first time, though. The word "maladministration" does not have a clear definition, but it is sometimes used to describe

when our actions or inactions cause a customer to get a service that does not match our goals or promises. The word "maladministration" means "faulty administration" in the definition.

From this, it follows that administration means following the laws of the land in a fair and honest way, carrying out government policies in a humane and fair way, and making sure that the benefits of good administration reach everyone in society, no matter their status, without bias. When the administration doesn't meet the above-mentioned general goals, it is, by definition, bad administration.<sup>vii</sup>

In English law, maladministration is an old common law term that is now more often called breach of trust or another dishonest, self-serving, or illegal act done by a public official while doing his or her job.<sup>viii</sup>It applies to times when we haven't done the right thing or done a bad job. Misuse or abuse of administrative authority, false statements, bad advice, lack of courtesy, mistakes, and delays, Maladministration includes things like corruption, fraud, or taking bribes.

It also includes extortion by a public or government official, refusal to do a legal task, scandalous behavior, or electoral offences. Corruption is not a single crime. It is the promotion of private gains or selfish interests at the cost of the public interest or against the overall goals of the government by the person in charge and responsible for the area of work. It is a broad term for a number of crimes, such as bribery, threats or retaliation, dishonesty, abuse of public office, and other crimes that are similar.

Sir Edmund Compton, who was the first British Parliamentary Commissioner for Administration or Ombudsman, says that no one can give a clear definition of "bad administration." It may be hard to explain, but most of us think we'd know it if we saw it. We can give cases to explain it. We know what it is, but we don't mind admitting that we might not agree with other people about whether or not a certain case was a result of bad management. We would also agree that there might be a fuzzy line around the areas of bad management.<sup>ix</sup>

Almost all of us would agree that a government move that broke the law was an example of bad administration.<sup>x</sup>This could happen, for example, if a law-mandated task wasn't done, if a law-given power was used in a way it wasn't meant to be used, or if a law-given power was used in a way it wasn't meant to be used. It could be caused by actions that didn't follow the rules set by law, whether by statute or by the courts in different rulings meant to stop, as much as possible, random or unreasonable decisions from being made by people with legal power.

We would also include in the definition of bad government acts that were influenced by what could be loosely called bribery and corruption. Most of the time, this would be illegal, but there are times when influence can be used to get officials to act or not act in areas where they have some freedom, but where it might not be clear that illegality was involved, but it could be argued that there was bad administration.

Maladministration is when a government agency does or doesn't do something because of wrong reasons or actions. Examples of improper factors are randomness, bias, and even discrimination. Improper behavior includes things like forgetting to do something, taking too long to do something, not taking important things into account, and not setting up or

reviewing procedures when a body has a duty or responsibility to do so.

This study said that a big reason for bad government was that citizens who were affected by government actions didn't have enough information at the right time and in the right amount. Corruption is the result of bad management, which is the first step in the process that leads to corruption. For the first to go away, the second should be checked. People's complaints against the government must be able to be heard through appropriate avenues if bad administration is to be stopped.<sup>xi</sup>

## **MAGNITUDE OF THE PROBLEM**

Losing sight of the saying that the future is made up of the past and the present may cost a lot. Some people think that in India, too much focus is put on getting the governmental system ready for future problems without making sure that it is ready to understand and deal with the most important problems of the present.<sup>xii</sup>Individual freedom and government have always been at odds with each other. This means that the relationship between the government and the people it rules over needs to be changed all the time so that a good balance can be found between private and public interests. Administrative law has always been based on the same basic idea: that in a democracy, the people are the most important thing, so all State power must be used in the public interest.<sup>xiii</sup>

Corruption, bad management, bureaucracy, and favoritism have become commonplace and a way of life. If this isn't stopped soon, it will be bad for the country.<sup>xiv</sup>Recent stings and news reports about financial scams have shown how widespread graft is across the country. When the average person deals with central or local government officials, they are often late, rude, unfair, biased, ignorant, incompetent, or pushy. Officials can make mistakes that are just part of being human, like when they deal with salaries, allowances, taxes, rates, social assistance, and welfare. This is because they have to apply a lot of detailed rules to each case.<sup>xv</sup>

Poor quality healthcare in the public sector is caused by bad management. Why are so many government hospitals dirty, busy, noisy, poorly kept, under-equipped, and old? Putting more money into public hospitals won't fix this problem unless the hospitals are run well. From the Public Health Centers (PHCs) in India to the Centers of excellence at the national level, corruption and bad management are present everywhere and in everything. This needs to be looked at right away.

If corruption in the healthcare system isn't dealt with successfully, it will be like pouring money into a bucket that leaks. In the administration of social security services, there is a lot of unavoidable complexity in the rules and decisions about unemployment insurance, eligibility for payments, supplementary benefits, and so on. These rules and decisions are very hard for the average official to understand, let alone explain to a citizen.

Reformers and people in charge of the law have to figure out how to find and stop criminal behavior that is hidden by layers of secret. Leaks of offshore papers have been the best way to get around this secrecy because they show what was being done in secret.<sup>xvi</sup>The Panama Papers show how often the most powerful and wealthy people in the world try to dodge paying taxes. They talk about wrongdoing around the world and show how the rich hide their money-related business.

## LEGAL FRAMEWORK TO CONTROL MALADMINISTRATION

Corruption and bad government are done by politicians of all stripes, including ministers, lawmakers, political party leaders, and civil workers. During the time before India got its freedom, the Indian Penal Code was the main way to stop bad government. Even back in 1947, the government knew that corruption had gotten so bad that it needed a law other than the Penal Code to deal with it. So, in 1947, the Prevention of Corruption Act was written down. Given how much corruption has grown and how many people are involved in it, you would have thought that lawmakers would make stricter rules against it.

People are losing faith in bureaucracy because the number of bad administration cases keeps going up. This shows how important it is for India to have organisations like an ombudsman.<sup>xvii</sup>The Prevention of crime Act of 1988 was made so that crime could be stopped. Since the 1970s, people have tried to pass the Lokpal, but they haven't been successful.

This shows that the Indian government doesn't want to make the watchdog an official position. Even though the States have their own State Lokayukta Acts that make up the commissioner, they have not had much success. The next step is for people to understand how important an advocate is and for a Central Act to be passed. A paradigm shift has also happened in the way that government works.

The focus has moved from secret to openness, from working alone to working with the people, and from acting randomly to being responsible for what you do. The need for an ombudsman comes from the fact that standard ways of controlling administration and resolving individual complaints about bad administration don't work very well.

First, there are checks on what public officers do and what choices they make within the department. Any choice made by one official can be appealed to a higher official, all the way up to the head of a department. But this system is flawed from the start. Higher officers are friends with those who are the subject of complaints, and they both sail in the same boat.<sup>xviii</sup>Second, the traditional way for a person to go to court has its own problems.

What led to the creation of watchdog institutions and to their growing popularity? Some of the things that led to the creation of the Ombudsman are the growth of government activities, the increase in discretionary powers given to public officials through delegated legislation, the rise in citizens' hopes and legitimate expectations of governments, the need to protect individual rights from government abuse, the ineffectiveness of legislative control over the executive, the heavy workload and slowness of the judiciary, and the lack of administrative resources. People need a system that works well and is independent so they can trust the government and know that the system is fair.<sup>xix</sup>

The biggest benefit of an advocate is that it is an outside body, which means that it is fair, doesn't favor anyone, and is neutral. Judicial review doesn't look at how well administrative choices were made. Courts don't use their own judgment instead of that of the person who has the power because of the law.<sup>xx</sup>

This is a problem with court review that can be fixed by the ombudsman system. The Prevention of Money Laundering Act of 2002 gave the Directorate of Enforcement, India and the Financial Intelligence Unit the power to investigate and prosecute public workers who have stolen money in other countries and use money laundering to bring it back to

India.

The Central Vigilance Commission was set up by the Central Vigilance Commission Act of 2003. Its job is to oversee matters of vigilance and the implementation of anti-corruption measures in Central Government Departments and their attached/subordinate offices, Government Company, Society, and any local authority owned or controlled by the Central Government. The Commission is also in charge of how the Central Bureau of Investigation works when it comes to supposed crimes that were not reported under the Prevention of Corruption Act of 1988.

The Commission's role is limited because it only has an advisory duty. Unlike the watchdog, it doesn't have any investigative powers and its only job is to keep an eye on government departments and make sure they are doing their jobs right. The Commission is also not a "competent authority" that can order criminal prosecutions for crimes done by public officials. Also, the SC has said in a number of cases that the Chief Vigilance Commissioner's advice on punishment is not binding on the discipline authority.<sup>xxi</sup>In reality, the CVC has not been as successful as was hoped for when it was created.

The Ministry of Personnel, Public Grievances, and Pensions, which works under the Prime Minister, is in charge of the CBI, which is the country's top investigating body. This means that political pressures can affect the CBI's investigations. In fact, the Supreme Court has criticized CBI's lack of independence and professionalism many times in recent years. Later, the Right to Information Act of 2005 was passed to make sure that public government is efficient, open, and accountable.

This is a big step forward. In 1964, the Central Vigilance Commission was set up in response to a suggestion from the Santhanam Committee on Preventing Corruption. India has set up the Central Bureau of Investigation (CBI), the Office of the Comptroller and Auditor General (CAG), and the Anti-crime Cell (Lokayukta) at the state level to fight crime. But the government is always working to get Lokpal set up in the center. So far, it has only been a try.

The roots of corruption in public service are left over from colonial times in the majority of Asian and African nations, including India. During the course of their rule, Western Europe's former monarchs set up their administration's structure so that all of the top jobs were designated for citizens<sup>xxii</sup>. Indians had to fight for the indenization of the civil service during the period of British rule because of this. The higher-ranking civil workers received handsome wages, while those in the lowest positions—which were primarily filled by natives—had to extort cash and food from the clients they were supposed to be serving. The evil of corruption, however, was mostly absent among the higher echelons.

## CONCLUSION

The current conversation and continuous debate on the corruption issue have led to the beneficial conclusion that corruption is a sign of a nation's deep-seated and fundamental institutional, political, and economic deficiencies. Therefore, initiatives to combat corruption must focus on these root causes rather than the symptoms in order to be effective. Therefore, preventing corruption must be prioritised by addressing its core causes through institutional, political, and economic reforms.

Without a serious effort to address the root causes, anti-corruption enforcement tools like oversight organisations, a strengthened police force, and more effective courts will not be successful. Another finding that may be important to keep in mind is that institutional problems other than corruption, such as political instability, excessive bureaucracy, and frail legislative and judicial systems, are more common in those areas. The crucial idea is that institutional flaws like corruption are related to one another and reinforce one another. For instance, red tape facilitates corruption, and corrupt officials may lengthen the red tape so they can accept more bribes. Therefore, eliminating corruption aids in a nation's ability to overcome other institutional flaws, just as addressing other institutional flaws aids in lowering corruption.

The major lesson to be learned is that the best chance to defeat corruption is to implement reforms (both economic and political) by addressing institutional shortcomings. Reforms will not make corruption go away. Reforms, however, will bring it under control and lessen its negative effects, allowing the country to move forward with its efforts to become a modern, developed country with a high likelihood of success.

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<sup>iii</sup>Rose-Ackerman emphasizes the illegal nature of corruption (1978) and provides a comprehensive list of activities that constitute corruption (1997), pp. 34- 38.

<sup>iv</sup> While most analyses of corruption focus on the conduct of public officials who receive corruption income, the supply side of bribes, or those who offer bribes, should not be ignored (Vogl 1998). Heywood (1997) makes a similar distinction between the conduct of public and private officials for the definition of corruption.

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